

IN THE  
United States Circuit Court of Appeals

FOR THE NINTH CIRCUIT.

AMERICAN SALES BOOK COM-  
PANY (A CORPORATION), AND  
WARREN F. BECK,

*Plaintiffs*

No. 791

v's.

JOSEPHUS BULLIVANT, JR.

*Defendant*

BRIEF OF DEFENDANT IN ERROR.

OTTO J. KRAEMER,

*Attorney for Defendant in Error.*

In Error to the Circuit Court of the United States  
for the District of Oregon.

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Counsel for plaintiff having outlined with such detail and at such length his contention in the above entitled action, makes it necessary on the part of counsel for the defendant in justice to his client to answer in full the argument of plaintiffs and to discuss their statement of the case. The discussion and correction where necessary of plaintiffs' statement of the case will all be made in the argument, it appearing that the plaintiffs themselves have to a great extent intermingled same on their part.

The defendant does not question the fact that the plaintiffs are the proper parties; that the patent set forth in their complaint upon which they rely was regularly (not properly) issued, and that if valid he infringed; nor on the other hand does the defendant now, or did he ever, in any way question the utility of the plaintiffs' alleged patent, his sole and only contention being as in his plea set forth,—that the invention, device or combination claimed by the plaintiffs was not new when produced; that it lacked novelty, and is simply a mechanical union of old inventions not requiring any inventive art or genius or producing any new effect entitling plaintiffs to the patent claimed. (See abstract, p. 20.)

Defendant never did question the *prima facie* presumption of the validity of plaintiffs' letters patent; always understood that the burden of proof was upon him, and with that in view presented under the stipulation of facts set forth, the exhibits therein mentioned as evidence of lack of novelty and lack of inventive skill. The plaintiffs, realizing the *exact similarity in* OBJECT, CONSTRUCTION and MODUS OPERANDI of the defendant's Exhibit "A" to their alleged patent, *endeavored to prove that there was novelty and INVENTIVE SKILL by introducing evidence of the SUPERIOR UTILITY* of their device over that of which Exhibit "A" was an illustration.

The defendant further claims that the *question of novelty and inventive skill* raised by the issue, was a *question of fact to be determined and the only question in the case*. The judge of the lower court, trying the case upon agreement without a jury, *looked into the facts agreed upon*, THE MERE INCIDENTAL FACTS THAT AMOUNT ONLY TO EVIDENCE BEARING UPON THE ULTIMATE FACT OF THE CASE, THE LACK OF NOVELTY AND LACK OF INVENTIVE SKILL, and decided the issue in favor of the defendant. Defendant contends that this being an issue of fact,

and fact only, the conclusion was not erroneously reached, but was the only conclusion that could possibly have been reached from the evidence; and further, that even though this tribunal should be of the opinion that the lower court erred in its finding of fact, *on a writ of error, only errors of law can be corrected, not errors of fact*, and that the plaintiffs have intermingled assignments of *error of law* that which if any error at all, would be an *error of fact*; and further, that practically all of *plaintiffs' contentions are based upon a wrong premise or upon wrong premises.*

## ARGUMENT.

### DEFENDANT'S VERSION OF THE COURT'S FINDING, A WRONG PREMISE.

The premise of plaintiffs' entire argument is wrong. The lower court did not find the combination of Beck's claim to be new and original, or that prior to its discovery by Beck that there was no pad known or used embodying his claims, its finding thereon and reasons.

Answering the argument of plaintiffs, we notice in the first place his claim that under the old style of book in use prior to Beck's alleged patent that one would soil the fingers, and must furthermore exert three separate acts for the purpose of using the old style books, at great annoyance, inconvenience and expense of time.

Plaintiffs claims that the three necessary acts were: first, throwing back the top leaf of pad covering carbon sheet; second, lifting out the carbon by the fingers so as to be able to get at the underlying leaf; third, the rearranging of the underlying leaves of the pad.

The particular improvement claimed to be achieved by Beck in manifolding sales book (see Letters Patent, line 28, p. 2) was that the carbon sheet is so constructed and combined that the individual leaves of the pad might be withdrawn from under the carbon sheet without lifting or otherwise handling the latter.

A great and false premise upon which the plaintiffs rely is that the lower court found this combination to be new and original and never to have been made, known or used prior to Beck's invention, the premise upon which the defendant bases his entire argument. His claim to the premise is set forth on the top of page 8 of his brief, and as fact number 1, page 23 thereof. In what a ridiculous and absurd position the trial judge would have placed himself in finding that Beck's combination was a new and original improvement, and yet lacked novelty. The question in the case as stated by plaintiffs was whether or not it was original and new, or novel. And the court emphatically said, after looking with the assistance of adverse counsel's eyes, mind and logic, into the evidence, that it was neither original nor new, and lacking novelty is void.

To show that there is no such premise upon which to rely, let us see how they substantiate it, for being the one fact, if they are in error as to the effect of the court's finding on this question their case must for that reason alone necessarily fail.

As a basis thereof they rely upon the seventh finding of fact, on page 32 of the transcript. On page 8 of their brief, they set forth at length the purported seventh finding of fact by the court, **BUT ONLY THE FIRST PART THEREOF**, not the entire finding of fact, and that the said paragraph seven is but one finding is without question by the very language following the extract used by plaintiffs beginning with the word "BUT," and on this finding the plaintiffs claim that on the

question of novelty the trial court found that the improvement of Beck was original and new, but such is not the case. The court said that prior to the discovery of Beck there was no pad known or used embodying the particular and patented features or improvements, to-wit: Comprising a holder or cover and a pad on the top of which normally rested a carbon or transfer sheet, said sheet overlaying the free ends of the leaves of the pad and covering the leaf under it, said transfer sheet having a portion cut away to expose "A PORTION OF" the leaf under it near its free end, and facilitating the withdrawal of same from under the said transfer sheet as in said patent described and claimed and shown in plaintiffs' Exhibit "B." "But," says the court, "for many years prior to the application for the issue of said letters patent of said alleged invention, duplicate order books were in general use in the United States having a carbon sheet loose or secured in place," etc., one illustration of which is defendant's Exhibit "A." And further using the wording of the court to distinctly show the idea in its mind, it states in the very same paragraph: "But in none of such manifolded books did the carbon sheet have A CORNER CUT AWAY OR A THUMB HOLE for the purpose stated by Beck in his specification."

ALWAYS BEARING IN MIND THAT DEFENDANT'S EXHIBIT "A" WAS IN COMMON USE IN THE UNITED STATES FOR MANY YEARS PRIOR TO THE GRANTING OF LETTERS PATENT TO BECK FOR HIS EXHIBIT "B."

Let us then examine defendant's Exhibit "A" in conjunction with plaintiffs' Exhibit "B," as was done by the lower court, for the purpose of determining whether there is *lack of novelty* in plaintiffs' alleged patent. *The distinction made by the court is that never before was SIMPLY A CORNER of the carbon cut away or a THUMB HOLE put in the carbon*

for that purpose, because defendant's Exhibit "A" had neither thumb hole nor a corner cut away to expose a *portion* of the leaves at or near their free ends as claimed by Beck. Otherwise the claim of Beck for his Exhibit "B" and the claim for the defendant's Exhibit "A," were it to be patented, would be identical. To reiterate, Beck's claim, taking No. 3 (the only one claimed by the complaint to exist or have been infringed, see Trans. p. 14), we have the combination with a manifold pad of a carbon or transfer sheet normally resting upon the top of the pad and overlaying the leaves thereof (this is a minute description so far of plaintiffs' Exhibit "B"), said transfer sheet having a portion cut away to expose A PORTION OF said leaves at or near their free ends, the leaves at their free ends being otherwise concealed by the transfer sheet. This is also identical with a description of defendant's Exhibit "A" with one exception. Describing defendant's Exhibit "A," we would say said transfer sheet having a portion cut away to expose (and here is the change) not A PORTION OF said leaves but SAID LEAVES at or near their free ends for the purpose set forth, the leaves at their free ends being otherwise concealed by the transfer sheet. Plaintiffs' claim No. 2 in the patent (if the court intends to consider same, notwithstanding the complaints being silent as to it) is identical with their claim No. 3 with the exception of the fact that the carbon is folded over upon the leaves of the pad at their free ends and the carbon has a portion cut away to expose a *portion of* the leaves *at or near* their free ends for the purpose set forth. This is as identical a description as could possibly be given of our Exhibit "A" were it held horizontally instead of vertically, and to make that work in a horizontal way which formerly worked in a vertical, in a case such as this is without question no invention.

See *Olmsted v. Andrews*, 77 Fed., 835.



One might say that the mere turning of the book in hand is suggestive of the change and practically the change itself.

The defendant unhesitatingly and emphatically pronounces plaintiffs' illustration of defendant's Exhibit "A" as unfair and unjust to him, but does not want to be understood as imputing either unfair or unjust motives to plaintiffs, or rather to their respected representative. The defendant most energetically asserts that it is absolutely unnecessary to raise the carbon in manipulating his Exhibit "A" any higher than in manipulating Beck's alleged patent, and having neither time, money nor ability to illustrate by cut, the exhibits being before the court, he will by manipulation thereof readily show the truth of his assertions herein, and the fallacy of plaintiffs' claims, illustration and statements that the act of withdrawing the underlying leaf in defendant's Exhibit "A" causes the transfer sheet to be lifted to a perpendicular position, or that it receives more wear than the Beck book; or that the under side of the carbon in defendant's Exhibit "A" must swing way out, or be exposed to the weather on its carbon face; or that the Beck book can be held nearer the body. That the strain on the carbon in the use of defendant's Exhibit "A" is greater than in defendant's Exhibit "B" is also claimed. The strain is identically the same, being outward, which is in reality downward from the place where the carbon is fastened, and is directly in line with the greatest resistance of the carbon. In fact, it is not nearly so much subject to awkward handling as the Beck book.

As CONCLUSIVE EVIDENCE that Beck is trying to appropriate common knowledge as evidenced by defendant's Exhibit "A," see the following specification from his "Letters Patent," lines 8 to 32, page 2. Could a description be more perfect?

"I do not confine myself to the use of the transfer-sheet having a portion cut away for the purpose herein set forth solely in connection with the holder and pad herein shown, as the transfer-sheet of this character may be otherwise fastened in a holder, or it may be pasted to the back of the pad, where such pad is intended to be used alone or in connection with other holders. Also instead of fastening the transfer-sheet at the end of the pad it may be fastened along the side thereof. In fact, my invention in this respect comprises any form and arrangement of pad and transfer-sheet wherein the transfer-sheet if left intact as it lies upon the pad would conceal the free or loose ends of the leaves of the pad, thereby rendering it necessary to lift the sheet in order to withdraw the leaves from beneath it in manipulating the pad, the cutting away of a portion of the transfer-sheet so as to expose a portion of the leaves at or near their free ends enabling this withdrawal to be accomplished without lifting or otherwise handling the transfer-sheet."

Using plaintiffs' language (Brief, p. 32): "A thing is substantially the same as another if it performs substantially the same function, or office, in substantially the same way to attain substantially the same result."

Could the lower court possibly find as a matter of fact any difference between Beck's Exhibit "B" and defendant's Exhibit "A"?

#### AN IDENTICAL CASE.

The case of *Lowenbach v. Hake-Stirn Co. et al.*, 92 Fed., 661, is identical with the one at bar, and was decided by the Circuit Court of Appeals for the seventh circuit in 1899, affirming the lower court, and quoting its opinion it says:

"The object in view, as stated in the brief of complainant, 'is to provide a book by which an original and one or more copies of a receipt or other record may be conveniently and quickly made by one writing,' and the advantages which are there asserted for the construction (the cutting a portion of the edge from off the permanent leaf) are: 'First, to facilitate opening it quickly at the place of the last entry; second, to make conveniently and quickly the original receipt and one or more copies by a single writing; third, TO FACILITATE IDENTIFYING AND GRASPING THE COPY OR COPIES TO BE DETACHED WITHOUT MOVING OR TURNING BACK THE PERMANENT LEAF ABOVE; and, fourth, to facilitate tearing out the copy or copies without the aid of a straightedge or other instrument.'"

As to the third claim the court states: "(3) *The permanent leaf, 'having a portion of its edge cut off or out, so as to expose part of the leaf below,'* is designed to facilitate turning at once to the place for use. Of this feature the assertion is made on behalf of the patent that it covers any form of cutting the outer edge of the page; that it is immaterial 'which portion of the edge, or which edge of the leaf, is cut away, or what shape is given to the cut or removed portion of the leaf;' and such interpretation is reasonable. But, surely, it was not new at the date of the patent to provide similar devices for ready reference, as in digests, index books, etc."

"The Mott and Carroll patent of 1875, No. 169,828, for an 'Improvement in Account Books,' clearly described a construction in which one corner of the leaves is perforated for removal as the pages are filled, thus indicating the place of last entry. Earnshaw's patent of 1883, No. 283,872, shows provision in a sales book of alternate long and short leaves for the same object, so that 'a salesman can at once get access to the proper sheet and fold thereof preparatory to making a record thereon:'

and in Soesbe's patent of 1875, No. 169,491, and Burwell's patent of 1883, No. 285,794, the same feature clearly appears of alternate long and short leaves in series in which removal in the course of use left exposed the long leaf which is next to be used.

"From these references it is manifest that the several elements of the combination in question are not only old, but are found in prior combinations in which both employment and purpose are analogous. Each element works in the old way, and for its accustomed purpose. No new function is given to either by the combined use. It is a mere aggregation of elements, which may produce better results, but not 'by their collocation a new result,'—the indispensable requirement for a patentable combination."

The claim of Beck as the "DISTINGUISHING CHARACTERISTIC" of his combination in his own wording at page 29 of his brief is (1) the transfer-sheet is so arranged and secured as to normally rest upon the pad, overlying the free ends of the leaves thereof; (2) the carbon sheet has a portion cut away, to expose a corner of the free end of the leaf under it SO THAT SUCH LEAF MAY BE SEIZED BY THE FINGERS AT SUCH EXPOSED PORTION AND WITHDRAWN FROM UNDER THE TRANSFER SHEET WITHOUT TOUCHING THE LATTER WITH THE FINGERS.

It will thus be seen that Beck's claim is identical with the claim of Lowenbach, and that they both related to carbon copying receipt or record books, and that if the court will look into the proof relied upon to defeat Lowenbach's patent, all of which is set forth in the opinion, it will see that same is not by far so strong as that upon which the defendant relied to defeat the patent of Beck. In this very case do they refer to the similarity

of thumb holes and corners cut from leaves when used in digests, index books, etc., to their use by Lowenbach for the same purpose as did Beck. Of course in the Beck patent the leaf corresponding to the permanent leaf in the Lowenbach patent is the permanent carbon.

It will further be seen by the foregoing decision *that it is immaterial which portion of the edge or which edge of the permanent leaf is cut away, or whether the shape given to the cut be round, square or oblong.*

The plaintiffs then discuss the minor exhibits of defendant, and they by agreement being before the higher court, need no further discussion on defendant's part, in view of the above opinion.

Plaintiffs having referred to the 5th stipulation of facts, the court will notice that the admission is that in none of the books in use prior to the Beck patent did the carbon sheet have *a corner cut away, or a thumb hole.* Defendant's Exhibit "A" has neither a corner cut away nor a thumb hole. An entire strip is cut off, so saving much carbon. Other reasons for the stipulation are above given. Plaintiffs might with as much force have said that by the fifth stipulation defendant, attacking the novelty of plaintiffs' patent, admitted it to be new, original, etc.

Then plaintiffs' on page 9 of their Brief, in attempting to sustain said premise, state that "No manifold sales book, or like contrivance, was offered in which there was to be found any combination *even remotely resembling the combination patented to Beck,* but instead, the defendant offered in evidence sundry disconnected individual devices in which by speculation and inference there was to be found certain features remotely suggestive of the form and action of the elements of Beck's combi-

nation regarded in their individual character." Again, on page 12, they say "Defendants did not rely upon any existing combination, but an *imaginary one, which might possibly be built by speculatively uniting a number of distinct and disconnected devices.*" From the trouble that defendant's Exhibit "A" has justly caused the plaintiffs, and their beautiful cuts thereof, with which we have before dealt, *it seems to be much more real than imaginary.* The defendant cannot comprehend how the plaintiffs should make any such statements as the foregoing in view of their Exhibit "A." But the plaintiffs, realizing the great weight as evidence of defendant's Exhibit "A," ingeniously state immediately thereafter that it was introduced merely to prove to the Circuit Court that even if the combination invented by Beck be known to be original and useful, yet the beneficial result achieved its utility was of no sufficient importance to sustain a patent granted therefor. To put it mildly, *the plaintiffs are emphatically and unmistakably mistaken.* Defendant's counsel, if any one, should know why the said exhibit was introduced, and introducing it, he did not need to, nor did he rely for his reason upon what plaintiffs might assign. Exhibit "A" was introduced because, as heretofore stated and afterward admitted by the plaintiffs, and also as found by the court in its Findings No. 7 (Trans., p. 32), the same was the immediate predecessor of the Beck book, and was in use many years prior to the appearance of the Beck book; and, of course, as heretofore shown, we claim that it was identical, being composed of the identical devices used by Beck, constructed in the same way, for the same purpose, and operating in the same way. Then do the plaintiffs try to further avoid the effect thereof by saying that "since there is no identity of construction claimed between defendant's Exhibit 'A' and the Beck book, its comparative merit will not be referred to."

I will admit that in the court below defendant claimed the book to be "as good as" the Beck book, when considering the

modus operandi. We claimed that and much more, as is above shown, and the Court found full merit in the claim.

## I.

It is apparent from the face of the record of this case that the trial court DID NOT fail to recognize the *force* of the rule of law, that a patent for an invention is *prima facie* evidence of the existence of all the facts essential to its validity.

(a) Plaintiffs claim the reverse, and in the face of the claim state that we all know it so well that the claim seems quite preposterous that the lower court could so err. It is worse than "quite preposterous" to make any such contention, when they urged with much force, eloquence and authority such to be the rule in the lower court; and further considering that the defendant never did question such presumption, and realized that the burden of proof was upon him.

This claim should be negated in view of all that has preceded in this brief.

Untermeyer v. Freund, 37 Fed. Rep., 343, and *all the cases cited by the plaintiffs* in support of the weight of the presumption as to the *prima facie* validity of Letters Patent *go to the testimony as to the actual prior and known use, or existence of the device, or devices, claimed as anticipating.* And the court unquestionably requires proof of their *alleged anticipation* to be weighty, not founded on speculation. IN THE CASE AT BAR, THE DEVICES AND COMBINATION RELIED UPON AS ANTICIPATING AND IDENTICAL WITH THE BECK CLAIM ARE ADMITTED TO HAVE BEEN IN USE FOR MANY YEARS PRIOR.

In point is the language following that quoted by counsel in the 30 Fed. Rep., 922: "A voluminous mass of testimony has been returned on the question of prior use. \* \* \* The evidence is full of contradictions and improbabilities, and furnishes another illustration of the difficulty of arriving at the truth from human testimony. Although corruption, prejudice and self-interest may be wholly absent, it is well-nigh impossible for a witness no matter how intelligent he may be, or how retentive his memory, to recall the details of ordinary transactions occurring fifteen or twenty years before. Even the most intelligent and incorruptible witnesses are here proved to be mistaken in important particulars, and others, not so intelligent or virtuous, are contradicted and discredited." By reason of the foregoing state of affairs are the courts so careful as to the avoiding patents on unsatisfied testimony of witnesses as to *anticipating devices*.

To the same effect is *Coffin v. Ogden*, 18 Wallace, 124, (cited by plaintiffs).

The true rule now in vogue is laid down in 156 U. S., p. 342, in the case of *Palmer v. Conning*. The court with the presumption of the validity of letters patent in mind is compelled to examine the question of invention *vel non* upon its merits in each particular case. Also *Adams v. Bellaire Stamp- ing Co.*, 28 Fed., 360-2.

(b) Looking at the cases cited by counsel in examining the authorities upon which the plaintiffs rely to show the great weight that should be given to the views of the Examiner at the Patent Office, we find they all state in substance that when the defendant is unable to produce any anticipating devices, other than such as in the very nature of things must have been known and considered by the Examiner of the Patent Office, more weight should be given to his decision than otherwise.



And in most of those cases, if not all, have the plaintiffs tried to prove lack of novelty, or inventive skill, by reason of prior patents which must have been brought to the attention of the Examiner in passing on the later patents in question. But our Exhibit "A" represents "a combination" identical with the Beck book, and was never patented. It was only common knowledge, and the idea that the same was "unquestionably" in the mind of the Examiner at the Patent Office when he granted the Beck patent, is as ridiculous as the idea that all people "unquestionably" know all law and rules of law, no matter how complicated, which they are presumed to know; or that all men who the law presumes to be innocent are "unquestionably" innocent; or that all negotiable instructions presumed to have passed for a valuable consideration "unquestionably" did so.

Thousands of patents are declared void each year by the courts reversing the views of the Examiner.

In *Reckendorfer v. Faber*, 92 U. S., 347, see top page 352, the court, in passing upon the patentee's urging in his support the views of the Commissioner on Patents, says: "The defense of want of novelty is set up every day in the courts, and is determined by the court or the jury as a question of fact *upon the evidence adduced* and NOT *upon the certificate of the Commissioner on Patents.*"

To better understand the weight as to the presumption as to validity of letters patent and the opinion of the Examiner of Patents, the courts on an examination of the patent frequently declare them void upon their face, even though their validity be not questioned by the defense:

*Slawson v. Grand St. Ry. Co.*, 107 U. S., 649.

*Brown v. Piper*, 91 U. S., 37, 44.

*Dunbar v. Myers*, 94 U. S., 187.

*Richard v. Chase Elevator Co.*, 158 U. S., 299.

(c) Though the proof offered to overcome this presumption has been thoroughly argued under defendant's claim of plaintiffs' premise being wrong in the statement of the case and in (a) and (b) just preceding, counsel having stated what an improvement over existing devices will be sufficient to sustain a patent, it is well to note what the recent cases have to say as to what improvements will *not* sustain a patent, should this tribunal care to retry the question of fact passed upon by the lower court wherein it stated that there was no improvement in the Beck patent over existing devices and that it lacked novelty.

In *Atlantic Works v. Brady*, 107 U. S., 192, at page 200 the court says: "To grant to a single party a monopoly or every slight advance made, except where the exercise of invention, somewhat above ordinary mechanical or engineering skill, is distinctly shown, is unjust in principle and injurious in its consequences. The design of the patent laws is to reward those who make some substantial discovery or invention, which adds to our knowledge and makes a step in advance in the useful arts. Such inventors are worthy of all favor. It was never the object of those laws to grant a monopoly for every trifling device, every shadow of a shade of an idea, which would naturally and spontaneously occur to any skilled mechanic or

operator in the ordinary progress of manufactures. Such an indiscriminate creation of exclusive privileges tends rather to obstruct than to stimulate invention. It creates a class of speculative schemers who make it their business to watch the advancing wave of improvement, and gather its foam in the form of patented monopolies which enable them to lay a heavy tax upon the industry of the country, without contributing anything to the real advancement of the arts. It embarrasses the honest pursuit of business with fears and apprehensions of concealed

liens and unknown liabilities to lawsuits and vexatious accountings for profits made in good faith."

The same language is cited with approval in *Slawson v. Grand St. Ry. Co.*, 107 U. S., 649; *Thompson v. Boisselier*, 114 U. S., p. 1, and cases cited on page 12.

## II.

In answer to Defendant's I (d), and III (a), (b) and (c).

Utility as a basis for a patent not questioned.

Reasons for "Finding No. 12" of court on comparative utility.

The court's *doubt???*

The plaintiffs state that the only question to be determined was whether the improvement for which the patent was granted to Beck was a new and useful invention, as contemplated by law. The defendant has narrowed, and will narrow the only question by eliminating any doubt as to the *question of utility*. We did not raise the question by our pleadings, or in the lower court, and most assuredly do not do so now.

The principal evidence moving the court to find as a matter of fact that Beck's alleged invention (his Exhibit "B") lacked novelty was the defendant's Exhibit "A." And the plaintiffs well realizing not only the similarity but identical likeness of said combinations, being familiar with the rule of law, that if they could show Beck's device to possess greater utility than its predecessor, defendant's Exhibit "A," the court might hold that by reason of such superior utility, it was sufficient evidence of novelty, to uphold the patent notwithstanding. On that theory, and for no other reason, was the evidence of *superior utility*

(introduced by them) admissible. Sec. 344 of Robinson on Patents, page 468 (cited by the plaintiffs): "Where doubt arises concerning the identity of inventions, and whether the apparent diversities between them are formal or substantial, the *superior utility* of one may be sufficient to remove the doubt, for though the apparent difference be simply the difference in the usefulness thereof, the results may be great enough to demonstrate that, notwithstanding all external similarities, such variations must exist between the modes of operation, that the ideas which they embody cannot be the same."

It must, however, be borne in mind, as stated in Sec. 344 of Robinson on Patents, page 470, that "*There are two kinds of utility*, and the relation of these two kinds of utility, *actual utility* and *comparative utility*, to the two questions of novelty and inventive skill is often much confused through failure to regard the real distinctions obtained between them. *But they are utterly dissimilar in character, and in effect, as well as in the principles upon which those relations are established*; and their real value in affording a solution of these questions is lost whenever the distinctions above set forth are ignored." See point "C," page 22, plaintiffs' Brief, and it will be noticed that this distinction is ignored by them.

To apply the above section to the case in question, the issuing of letters patent to Beck was presumptive evidence that the combination claimed by him was useful. That utility, *the utility as a basis for a patent*, we did not controvert. The *other utility*, the greater (comparative) utility claimed for it over defendant's Exhibit "A," we did controvert, because it was introduced, not for the purpose of proving utility as a basis for a patent, *but as evidence of novelty*; and the novelty claimed by Beck in his combination was the fact in issue.

The remark as to the defendant not having testified in his own behalf as to the utility of his Exhibit "A," is answered by the fact that the same is self-evident, and, being so confident of the absolute identity, he knew no meritorious distinction could be drawn between them by any witnesses who might testify for the plaintiffs. Their last remark further shows that plaintiffs did not understand the meaning of "utility" as hereinafter shown.

Paralleled only by the foregoing claims is the one that the Circuit Court, being in doubt on the question of patentable novelty in Beck's invention, resolved the doubt against the patent. The case must be tried upon the record, as I understand the law, and not only was there no doubt, but there is nothing justifying any such inference of doubt. If there was any doubt in the mind of the trial court as to the facts, it could have been shown of record, for the Findings were submitted to plaintiffs' representative, and every suggestion consistent with the facts which they desired was embodied therein. In fact, the Findings on *Record* were prepared by the adverse counsel. It is claimed that defendant's counsel would concede that the trial judge in disposing of the case stated that he did not think the invention of sufficient importance to grant a patent therefor. We make absolutely no such concession, though the court did not see why, in the face of defendant's Exhibit "A," there was any difference justifying the patent for Beck's claim.

It is further claimed that this doubt was occasioned because the trial judge could find no superior degree of utility in the Beck invention, and the 12th Finding of Fact is cited in support thereof. I have heretofore explained why the 12th Finding of Fact was made. *It was made simply to pass upon the COMPARATIVE UTILITY introduced as evidence of NOVELTY.* And in the very face of the plaintiffs having themselves introduced evidence of utility only for the one purpose

for which it was admissible in this case (to assist in determining the question of novelty), they have the audacity to say that the inference inevitably to be drawn from the context of the 12th Finding is that the court below erroneously assumed a rule of law controlling its decision as to whether the Beck improvement was a product of invention. That it must delicately poise the utility in comparison with pre-existing books, and if the scale did not show the utility of Beck's improvement to be greater, then the court must find lack of novelty, and the patent void.

The 12th Finding of the court is criticised in the Brief as being unsupported by the evidence. Suffice is to say that no error is assigned in any of the fourteen different assignments that does in any way question but what the finding as to Beck's invention possessing any greater utility than defendant's Exhibit "A," is correct as a question of fact. *The exceptions all go to the propriety of the court in taking into consideration the very question of fact that they so strenuously strove to establish as evidence of novelty.*

Strauhal's testimony is then commented upon, and the court must bear in mind that he is the *only one* of the customers buying *about* 500,000 books in one year from Wilcox, who will testify that *he liked* the Beck book better than defendant's Exhibit "A," *not that he actually thought them better, or that they were better, but simply that he liked them better.* And why? Because, having apparently been schooled in the plaintiffs' claims, he gives as the only reason for his preference that the carbon is more apt to get wet and tear off *if used out of doors.* According to their star witness the books are on a par indoors.

In order that Strauhal could properly recite his lesson, plaintiffs, realizing the weakness of their case, did not introduce in evidence a book made under the claim of their patent (See

Fig. 1 Letters Patent, before p. 39 of the Abstract), but used one with a shield, and lay great stress upon the point that such an OUTSIDE PROPOSITION is *possible* under their patent, but not under the scheme of defendant's Exhibit "A." And by such immaterial and far fetched propositions they try to discriminate. If it is desired to further protect the carbon from the weather than is done in defendant's Exhibit "A," the books are made having the cover overlapping the pad from the same side as that to which the carbon is fastened, instead of at the top.

Particularly in point as to Strauhal's testimony is the quotation from 37 Fed. Rep., 343, cited by plaintiffs. "Light can be thrown on a controversy where the court can see the witnesses and observe their manner while testifying. A witness may convince all who hear him testify that he is disingenuous and untruthful, and yet his testimony when read may convey a most favorable impression. The trial jury, or judge sitting as a jury, is the one to weigh the question."

For the effect of Strauhal's testimony at best see number (2) following.

Judge Bellinger in the trial of the case now before this court found on that question of utility (comparative utility), it being a question of fact of which he was the sole judge, that Beck's alleged invention was no more useful, and no better than the combination evidenced by defendant's Exhibit "A."

Should this tribunal determine that it has the right to disturb such finding, before doing so we must remember:

"The rules of evidence in actions for infringement as to the . . . effect of testimony . . . in the Federal Courts are those recognized and followed by the courts of the state in which the Federal Court is held." Robinson on Patents, Sec. 1008.

Also are the rules of evidence the same as to *the effect of a verdict or finding of fact in an action at law in the U. S. Circuit Court*. Foster's Fed. Practice, Sec. 374, p. 556.

Therefore, the law of the State of Oregon in this respect is material, and there a finding of fact by a trial court in a law action will not be disturbed on appeal, if there is ANY evidence to support it.

Liebe v. Nicolai, 30 Oregon, 364. (48 Pacific, 172.)

Bartel v. Nathies, 19 Oregon, 483.

*Plaintiffs in their brief admit that there is evidence to support the findings, but claim that same was not sufficiently strong to overcome the presumption of validity of letters patent.*

The conclusions of a judge on a patent case are more reliable and more weighty than those of a jury. Robinson on Patents, Sec. 1182, and note.

### III.

#### REVIEWING POINT 11 OF PLAINTIFFS.

1. When is the combination of old devices so novel as to be patentable or an invention? When is it a mechanical change only?

2. The effect of holding Beck's claim an improvement over defendant's Exhibit "A."

(1). All heretofore said bears much upon this point, yet must we remember that novelty consists in the *substantial* variation of the combination in question from all combinations which in contemplation of law are already open to the public. Robinson on Patents, Sec. 222.



*A substantial variation would be an invention.* Therefore, to understand the above question, let us see what invention is.

“Invention is the product of original thought. It involves the spontaneous conception of some idea not previously present to the mind of the inventor. Industry in exploring the discoveries and acquiring the ideas of others, wise judgment in selecting and combining them, mechanical skill in applying them to practical result—none of these are creation—none of these enter into the inventive act. Only when the mind of the inventor originates an idea new to himself, if not to the world, does he call into exercise his inventive skill and perform the mental portion of the inventive act.” Sec. 78, Robinson on Patents.

Here it might be well to call attention to the fact that “the inventive act necessary to sustain a patent really consists of two acts; one mental, the conception of the idea; the other manual, the reduction of that idea to practice. Neither alone is sufficient.” Robinson on Patents, Sec. 77.

The idea generated in Beck’s mind as the mental part of the inventive act was to avoid handling the carbon with its attendant benefits. This identical idea was in vogue for many years before in defendant’s Exhibit “A.” The application of the means for the purpose of securing this end as the result of his inventive act and the essence of his patent he claims to be a *thumb hole or cut in the one corner of the carbon*. The very same means had been employed in defendant’s Exhibit “A” by cutting a little more than a thumb hole or a corner. In fact, the entire top of the carbon, making a great saving of carbon, the most expensive part of these manifold pads, and exposing not only a portion of the leaves at their free ends but the entire leaves at their free ends, as heretofore explained.

*"Invention indicates genius, and the production of a new idea. Mechanical skill is applied to an idea and suggests how it may be modified and made more practical."*

New York Belt & Packing Co. v. Magowan, 27 Fed.,  
362.

The standard of skill is being constantly raised, and the standard of invention is as a necessary consequence correspondingly raised.

Wilcox v. Bookwalter, 37 Fed. Rep., 224.

Many v. Sizer, 16 Fed. Cases, 685, and all other cases cited by the plaintiffs in the very extracts chosen and quoted as most favorable to them show that if the patentee borrowed the idea of the different parts which go to constitute his invention and for the *first* time brought them together into one hole and that hole is *materially* different from any other hole that existed before, then he is the original and first inventor. To prevent a combination from being patentable it is not necessary that all of its elements shall be found in the same relation and combination in one prior patent or device for the mere bringing together of old devices or elements, especially if they belong to the same or kindred arts without producing anything new in result, function or mode of operation is not patentable. See \_\_\_\_\_ v. \_\_\_\_\_, 80 Fed. 528. Beck not only did not bring these separate devices together, but in defendant's Exhibit "A" they were already found together performing the same function and result, and even by the same mode of operation.

2. Supposing, however, the lower court erred in its finding of fact and this tribunal can correct such error, it would still make no difference as to the outcome, for the most that can

possibly be said for the Beck claim is that it is a mere difference in degree, if better than defendant's Exhibit "A." The means by which it was done, to-wit, cutting a hole, or a strip from the overlaying carbon, was a known means, and the way in which it permitted the underlying leaf to be withdrawn was a known way. At most, a result more perfect than had theretofore been attained, a mechanical improvement, and such claims have repeatedly been held invalid:

Schroeder v. Brammer, 98 Fed. 881.

Thompson v. Belltaire Stamping Co., 28 Fed. 360.

Guid v. Brooklyn, 105 U. S. 550.

Wright v. Yung Ling, 155 U. S. 47.

Smith v. Nichols, 21 Wallace, 112.

And using the language of the court in the last case cited, Beck's combination (if an improvement) "would be a mere carrying forward, or a new or a more extended application of the original thought; a change only in form, proportions or degree; the substitution of an equivalent doing substantially the same thing in the same way by substantially the same means, but with better results. This is not such invention that will sustain a patent. This rule, of course, applies alike whether the preceding devices were covered by a patent or rested only in the public knowledge and use."

That the *superior utility*, even though it had been established, *would have been ONLY EIDENCE* of novelty, but not conclusive evidence of novelty, not in itself enough to sustain the patent.

Wilson Packing Co. v. Chicago Packing & Provision Co., 9 Fed. Rep. p. 547.

Cases cited by the plaintiffs in their brief go to the same effect. Therefore, further citations on this point are unnecessary.

Plaintiffs lay great stress upon the evidence that Wilcox, handling the Beck patent, and being the Pacific Coast agent for two and a half years, did sell in his territory (by this I do not know whether he includes only California, Oregon, Washington and Idaho, or the western states), *about* 500,000 copies. It may only have been 499,999. And his very statement shows that some of the merchants to whom he sold books, *did not* re-order them. We must take into consideration the nature of the article; the great length of time in which he has been establishing the vast territory handled by him, in which common knowledge tells us that millions of such pads are used yearly. It does not show such a great public need, there being hundreds of large stores, any one of which adopting the same would use thousands of them a year.

“The fact that the patented mechanism is in large demand, and has gone into extensive use, *is evidence of invention ONLY WHEN THAT QUESTION IS IN DOUBT* on the other evidence. It cannot sustain a patent for an alleged invention which is clearly without patentable novelty.”

Goss Printing Press Co. v. Scott, 103 Fed. 650.

Duer v. Lock Co., 149 United States, 216.

That the device is convenient and profitable to the patentee is no evidence that it possesses the quality of invention.

159 U. S. 487.

In *Smith v. Nichols*, 6 Fisher, p. 61, Lowell, J., says: “The fact that an article is better, and more useful in the trade, is

evidence of novelty, but if the superiority is attained by the application of known means in a known way, and to produce a known result, though a better one, the novelty required by the patent law is wanting."

The same rule is *emphatically* stated in the case of Smith v. Goodyear Dental Vulcanite Co., 3 Otto, 486, quoted at length by plaintiffs on page 40 of their brief.

Each and all of plaintiffs' citations will be discussed on the oral argument.

#### IV.

##### Beck Patent Claim No. 1.

The point that the combination comprising elements of claim No. 1 in the Beck patent were not in controversy and should not have been included in the judgment of the court below, might have been well taken were it not for the fact that the issues raised in the pleadings must govern, and to them only does the court look. See plaintiffs' amended complaint, transcript, bottom page 14 and top page 15, wherein they state that the letters patent granted Beck gave him only the right set forth in their claim No. 3, they omitting claims 1 and 2, so that from the face of the complaint it would appear that the whole benefit and claim of the combination was as set forth in their claim No. 3.

#### V.

Who is Jarrett? Who is Bullivant?

Several times the plaintiffs bring in the name of Jarrett, criticising him, and characterizing Bullivant as a "dummy or

cat's-paw" for Jarrett. To say the least, they should have confined themselves to the record, but not having done so, we cannot allow it to pass unnoticed.

Formerly in order to sue in court of equity for infringement, it was necessary to first establish the patent by an action of law, but this rule has long been changed. (Robinson on Patents, section 1085, note 4, and cases cited.)

The plaintiffs are both residents of New York. Jarrett, who was charged as the infringing manufacturer, lives in Seattle, Washington. They have but one agent for the whole Pacific Coast. Why did he not sue the manufacturer? Why should they take an uninterested corner grocer into the Federal Courts for using a duplicate pad, as charged, when the very testimony of Wilcox shows that he promised to buy the next pads from the latter? A few days later he was sued, because Beck had appropriated as private property what properly belonged to the public. To use the language of Justice Bradley (107 United States, 192): "He is one of those speculative schemers who made it his business to watch the advancing wave of improvement and gather its foam in the form of a patented monopoly to enable him to lay a heavy tax upon the industry of the country without contributing anything to the real advancement of the art."

They ask why Jarrett did not first get the patent, and state it to be because the latter did not realize the susceptibility of the component parts of the manifold book in question, until he had been instructed by the Beck invention. In their very words do we say that Beck did not realize the susceptibility of the component parts of the book in question until he had been first instructed by public knowledge, as evidenced by our exhibits. They complain at the very litigation which they have started, and kept going, showing that they did not expect a

contest from Bullivant, and wanted to establish by default their alleged patent. It is more than amusing to think that after suing a man needlessly and unjustly, they should criticise his defending the case.

Should they by some unforeseen way succeed, the costs should by reason of the foregoing be paid by them.

## VI.

BY A WRIT OF ERROR THIS TRIBUNAL CAN REVIEW THE RECORD AND PROCEEDING IN THE LOWER COURT ONLY FOR ERROR OF LAW NOT ERROR OF FACT. ONLY UPON AN APPEAL COULD THE APPELLATE COURT REVIEW THE CASE ON THE EVIDENCE TAKEN IN THE INFERIOR COURT.

See Section 1011 Revised Statutes of the United States.

Foster's Federal Practice, Section 394.

United States v. Goodwin, 7 Cranch. 108.

United States v. Dawson, 101 U. S. 569.

Miles v. United States, 103 U. S. 304.

Robinson on Patents, Section 1079.

7th Encyc. of Pl. & Pr., Sections 2 and 3, pages 847 and 848.

The above rule was relative to cases taken from the Circuit Court to the United States Supreme Court and is applicable to the case in question under section 11, page 905, of the supplement to the Revised Statutes of the United States.

Even were it a mixed question of law and fact, the writ would not lie.

7 Encyc. Pl. & Pr., p. 849.

Tucker v. Spaulding, 13 Wallace, 453.

Under these authorities questions depending on the weight of evidence are to be conclusively settled in the trial or lower court, and if there is any question in the mind of this court as to the issue determined by the lower court in the case being an issue of fact not law, the following authorities relieve all doubt. The one question and the only question for the determination of the lower court, as stated by us and so frequently by the plaintiffs in their brief, was to use their wording: "Was Beck the first one to dispense with a second operation, that of handling the carbon with the fingers; did any one else select and combine the parts and produce a book like Beck's for the same purpose, operating substantially the same and accomplishing substantially the same result?"

## VII.

### "NOVELTY" AND "INVENTIVE SKILL" ARE QUESTIONS OF FACT.

That the question of novelty is a question of fact for the jury or trial judge is well shown in the cases of

Westlake v. Carter, et al., 6 Fisher, 519; s. c. 4 Og. 636.

Battin v. Taggert, 17 How. 74.

In re Pennock, 1 McArthur, 531; s. c., 5 Og. 668.

Section 1022 Robinson on Patents.

Adams v. Bellaire Stamping Co., 28 Fed. 360.



That the identity of prior and present inventions is a question of fact for the jury, see

*Battin v. Taggart*, 17 How. 74.

*Tyler v. Boston*, 7 Wallace, 327.

*Turrill v. Railroad Co.*, 1 Wallace, 491.

*Tathana, et al., v. Leroy, et al.*, 2nd Blatchf. 474; s. c. 23 Fed. Cases, 712.

*Forbush, et al., v. Cook*, 9 Fed. Cases, 423, cited at length by plaintiffs, page — of their brief.

That whether two patents whose specifications are not in the same terms describe the same invention is a question for the jury (we, however, claim defendant's Exhibit "A" and Beck's claim to be in practically the same language).

*Bichoff v. Wethered*, 9 Wallace, 812.

That whether the patented invention is identical with the one described in a printed publication is a question for the jury where they differ on their face.

*Keys v. Graut*, 118 U. S. 25.

*Adams v. Bellaire Stamping Co.*, 28 Fed. 360.

The very case cited by counsel, 4 Fed. Rep. 900, entitled *Washburn v. Mogn Manf. Co. v. Haish*, holds the question in issue here to be a question of fact, and in the case of *Tucker v. Spaulding*, 13 Wallace, 453, Justice Miller, delivering the opinion of the court, said as to the fitness of the jury as a tribunal to determine the diversity or identity in principle of two mechanical instruments: "It cannot be questioned that when the plaintiff in the exercise of the option which the law gives him, brings his suit in the law in preference to the equity side of the

court, that question must be submitted to the jury, if there is such resemblance as raises the question at all. And though the principles by which the question must be decided may be very largely propositions of law, it still remains the essential nature of the jury trial that while the court may on this mixed question of law and fact, lay down to the jury the law which should govern them, so as to guide them to truth, and guard them against error, and may, if they disregard instructions, set aside their verdict, the ultimate response to the question must come from the jury."

1. THE LOWER COURT COMMITTED NO ERROR.

2. IF IT DID IT WAS ERROR OF FACT.

3. IF IT COMMITTED ANY ERROR OF FACT IT WAS AN IMMATERIAL ONE NOT EFFECTING THE MERITS.

4. EVEN THOUGH A MATERIAL ERROR OF FACT HAD BEEN COMMITTED, NO WRIT OF ERROR WOULD LIE.

Respectfully submitted,

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